



Department of Justice

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LOUISVILLE, KENTUCKY PHYSICIAN AGREES TO PAY OVER \$980,000 TO SETTLE FEDERAL FALSE CLAIMS ACT AND CIVIL FRAUD CLAIMS

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David L. Huber, United States Attorney for the Western District of Kentucky, along with the Office of the Inspector General for the Department of Health and Human Services ("OIG-HHS") announces today that Julio C. Melo, M.D., of Louisville, Kentucky, has agreed to pay \$984,705.71 to settle allegations that between January 1, 2000, and August 20, 2006, Dr. Melo submitted false claims to Medicare, Medicaid and other federally-funded health care programs (collectively "federally-funded health care programs").

According to the settlement agreement, the United States maintains that Dr. Melo improperly submitted claims for payment to federally-funded health care programs for Evaluation and Management ("E&M") services which, based on the American Medical Association's Current Procedural Terminology coding system's ("CPT") recommended times, resulted in numerous days in which the CPT's E&M time guidelines exceeded 24 hours in duration. The United States also maintained that Dr. Melo improperly submitted bills for an "initial inpatient consultation" on existing patients who were merely transferred between facilities.

Dr. Melo, who has been practicing for over 30 years, denies any wrongdoing.

Dr. Melo has also agreed to enter into a five year Integrity Agreement with the OIG-

HHS. OIG-HHS often enters Integrity Agreements in cases involving civil health care fraud as an added administrative protection for federally-funded health care programs to assure that health care providers comply with the requirements of those Federal programs.

The claims in this matter were investigated by the OIG-HHS and the U.S. Attorney's Office. This case was prosecuted by Assistant United States Attorney Benjamin S. Schecter.

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